

a misdemeanor. The department is the one that will enforce and regulate the bill, and there is considerable language which tracks the current tax laws for the examining of records, the entry to the premises, and it authorizes the department to make use of law enforcement persons whenever necessary to help them in the carrying out of their duties with reference to inspecting records, copying records, and getting any information that they need. They can compute the taxes, assess them, and make a determination as to whether the operator has paid the proper amount of taxes. If a person underpays taxes, by 25 percent, there will be the presumption, as in the current tax law, of fraud with the intent to evade. There is a penalty of 20 or 25 percent of the amount due should a person do that, and if, within 30 days after that tax is due, the tax is not paid, there is an additional tacking on of interest. If the tax is not paid then, action can be taken to remove the person's license. Annually, the Revenue Department will give a report to the Legislature and the Governor relative to the administration of the act, the amount of taxes taken in, the amount of expenses. There is a fund created into which the taxes and fees will go to administer this bill. Also, there is a specific provision that establishes that any profit made by the operator will be income within the State of Nebraska for purposes of the income tax. Now, if there are any questions you have on the technical aspects of the bill, I will answer them. But since my time may be out before I start to explain something else that I might run out of time on before I can complete it.... Mr. Speaker, how much time do I have, by the way, on this? I have four minutes. Let me, in these four minutes, give you an idea of how the money comes to one of these operators. On a straight bet, where you are betting that one team will beat another team, you, the bettor, must bet \$11 to win \$10, that is the standard in the business. So if Senator Dierks bets \$11 on Oklahoma and I...he bets \$11 on Nebraska and I bet \$11 on Oklahoma, each of us is betting \$11 to win \$10 from Senator Hefner. Now, a total of \$22 has been wagered by Senator Dierks and myself. On that full \$22, Senator Hefner will have to pay a tax of one-half percent, which comes to 11 cents on every \$22 wagered. But all that he will get out of that is \$1.00 because if, as last year, Oklahoma wins the game, I think...yes, if Oklahoma wins the game, 10 of the 11 dollars that Senator Dierks put up comes to me, and I get my original \$11 back. So that is \$21 of that \$22 that has come back to me. Senator Hefner, out of that \$1.00, must pay that one-half of 1 percent tax, which is 11 cents. So, in effect, he has to pay 11 percent of his profit as a tax. That is why the amount is one-half of 1 percent. It is not on his net, but it